Registration number: 07218723

PREPARED FOR THE REGISTRAR

EIS MIDLANDS LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

EIS Midlands Limited

Contents

EIS Midlands Limited

Company Information

Directors	E J Evans M D Evans S P Brown R Hewlett
Registered office	Unit 7 Duddage Business Park Brockeridge Road Twyning Tewkesbury Gloucestershire GL20 6BY
Accountants	Hazlewoods LLP Staverton Court Staverton Cheltenham Gloucestershire GL51 0UX

EIS Midlands Limited

(Registration number: 07218723)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	92,956	70,174
Current assets			
Stocks		48,261	3,000
Debtors	5	369,718	759,949
Cash at bank and in hand		353,657	236,618
		771,636	999,567
Creditors: Amounts falling due within one year	6	(375,459)	(667,844)
Net current assets		396,177	331,723
Total assets less current liabilities		489,133	401,897
Creditors: Amounts falling due after more than one year	6	(17,581)	(19,553)
Deferred tax liabilities	8	(22,563)	(12,848)
Net assets		448,989	369,496
Capital and reserves			
Called up share capital	9	70	70
Capital redemption reserve		30	30
Profit and loss account		448,889	369,396
Total equity		448,989	369,496

For the financial year ending 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 7 September 2022 and signed on its behalf by:

E J Evans
Director

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office and principal place of business is:
Unit 7 Duddage Business Park
Brockeridge Road
Twyning
Tewkesbury
Gloucestershire
GL20 6BY

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements
No significant judgements have been made by management in preparing these financial statements.

Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.
The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	**Depreciation method and rate**
Plant and machinery	20% straight line
Furniture, fittings and equipment	20% reducing balance
Motor vehicles	20% reducing balance

Trade debtors

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.
The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.
Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was as follows:

	2022 No.	2021 No.
Average number of employees	20	16

4 Tangible assets

	Plant and machinery £	Furniture, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2021	40,433	19,127	38,501	98,061
Additions	5,417	930	34,480	40,827
Disposals	(417)	(936)	-	(1,353)
At 31 March 2022	45,433	19,121	72,981	137,535
Depreciation				
At 1 April 2021	16,789	3,934	7,164	27,887
Charge for the year	7,186	3,285	7,366	17,837
Eliminated on disposal	(417)	(728)	-	(1,145)
At 31 March 2022	23,558	6,491	14,530	44,579

	Plant and machinery £	Furniture, fittings & equipment £	Motor vehicles £	Total £
Carrying amount				
At 31 March 2022	21,875	12,630	58,451	92,956
At 31 March 2021	23,707	15,130	31,337	70,174

5 Debtors

	2022 £	2021 £
Trade debtors	334,372	718,828
Other debtors	35,346	41,121
	369,718	759,949

6 Creditors

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	7	1,972	197,572
Trade creditors		276,865	357,186
Social security and other taxes		19,694	18,727
Outstanding defined contribution pension costs		2,288	1,306
Other creditors		5,167	8,155
Accrued expenses		3,150	4,085
Corporation tax liability		66,323	80,813
		375,459	667,844

7 Loans and borrowings

	2022 £	2021 £
Current loans and borrowings		
HP and finance lease liabilities	1,972	1,654
Other borrowings	-	195,918
	1,972	197,572

	2022 £	2021 £
Non-current loans and borrowings		
HP and finance lease liabilities	17,581	19,553

Finance liabilities
Finance liabilities are secured against the asset to which they relate.

8 Deferred tax

Deferred tax assets and liabilities

2022	Liability £
The difference between accumulated depreciation, amortisation and capital allowances	22,804
Short term timing differences	(241)
	22,563

2021	Liability £
The difference between accumulated depreciation, amortisation and capital allowances	12,930
Short term timing differences	(82)
	12,848

9 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
A Ordinary shares of £0.01 each	6,264	62.64	6,632	66.32
B Ordinary shares of £0.01 each	736	7.36	368	3.68
	7,000	70	7,000	70

Share reorganisation
During the year the company reorganised its share capital, redesignating 368 A Ordinary shares of £0.01 as B Ordinary shares of £0.01 each.
Share rights
The shares carry seperate rights to dividends but in all other aspects rank pari passu.

10 Financial commitments, guarantees and contingencies

The total amount not included in the balance sheet is £67,578 (2021 - £99,009) of which £24,232 (2021 - £41,857) is due within one year, £22,850 (2021 - £nil) is due within 1-2 years and £20,496 (2021 - £57,152) is due within 2-5 years.

11 Related party transactions

Transactions with directors
At the balance sheet date the directors owed the company £33,669 (2021 - £195,918 owed to the directors). There are no fixed repayment terms and no interest is charged on the outstanding balance.